

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6033

BILL NUMBER: HB 1015

NOTE PREPARED: Oct 14, 2008

BILL AMENDED:

SUBJECT: Charter Schools; Moratorium and Data Compilation.

FIRST AUTHOR: Rep. Smith V

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill establishes a moratorium on the creation of new charter schools sponsored by certain entities in certain cities. It requires the Department of Education to compile and make available to the public data concerning the effectiveness of certain existing charter schools.

Effective Date: Upon passage.

Explanation of State Expenditures: The bill establishes a moratorium on the creation of new charter schools sponsored by state educational institutions in Gary. Currently, Ball State University is the only university to sponsor charter schools. Ball State has sponsored about 10 schools in Gary.

The state impact will depend on the number of new charter schools that might not be sponsored due to the moratorium. The impact on the state also depends on the school formula that will be in effect for CY 2009, CY 2010, and CY 2011. The average tuition support revenue of charter schools in CY 2009 is estimated to be about \$6,525 per student.

The requirement that the Department of Education compile and make available to the public data concerning the effectiveness of existing charter schools sponsored by state universities and the Gary School Corporation could impact the Department's costs. The additional cost would probably be minor and could be paid within the existing level of resources.

Estimation Issues: As an example, under the current formula, a growth of about 100 students attending charter schools would cost the state between \$130,050 and \$652,500 depending if the students attended private or public schools the prior year.

Background: As of the 2008 school year there were 42 approved charter schools with an enrollment of 11,483 students.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Education.

Local Agencies Affected:

Information Sources:

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